* Group Workshed Scheme: There is a provision of Rs. 19.27 crore for this Scheme during the10th Plan period.

* Incentives under the Technology Upgradation Fund Scheme (TUFS) for the powerloom sector.

(c) The data on export of cotton yarn including sewing thread for the last three years is given below:—

(Quantity in million Kg.)/(Value in Rs. crores)

Description	2001-02		2002-03		2003-04	
	Qty.	Value	Qty.	Value	Qty.	Value
Cotton Yarn (Incl. sewing thread)	438	5375	511	5923	466	5998

It may be noticed that the quantum of export of cotton yarn showed a mixed trend during 2001-02 to 2003-04, whereas in value terms threre was an increase during the same period.

(d) The Government has taken various measures to increase export of textile items including cotton yarn. Some of the measures are given below:—

* The mandatory Central Value Added Tax (CENVAT) chain has been abolished. The CENVAT Scheme has been made optional. Consequently, no mandatory excise durty is leviable on pure cotton yarn, fabrics or garments.

* All Textiles and textile articles falling under chapter 50 to 63 have been fully exempted from duties leviable under additional Excise duty (Goods of Special Importance) Act and Additional Excise Duty (Textiles and Textile Articles) Act, where ever applicable.

* Ceiling and restrictions on export of cotton yarn to non quota countries was removed w.e.f. 1st January, 2002.

Decline in production of cloth in handloom sector

1412. SHRI R.K. ANAND: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that there is decline in production of cloth in

handloom sector from 1998-99 as compared to the targets set for each year;

(b) if so, the details thereof; and

(c) the steps taken by Government to increase the production of cloth?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The estimated cloth production in handloom sector from 1998 to 2003-04 compared to target is given below:

Year	Target (in Million sq. Mtrs.)	Production (in Million sq. Mtrs.)
1998-1999	7336	6792
1999-2000	7795	7352
2000-01	8282	7506
2001-02	8800	7585
2002-03	4005	5980
2003-04	4239	5518(P)

(b) The handloom sector is highly decentralized in nature and therefore the production in the handloom sector is estimated on the basis of domestic delivery of hank yarn in Kgs. During the 4 years *i.e.* 1998-99 to 2001-02, the production of handloom cloth has shown an increasing trend. One of the factors for subsequent decline in production of handloom cloth may be related to the fiscal changes, such as imposition of excise duty on hank yarn. However, in the current year duty on yarn has been withdrawn. Further, although the estimated quantum of production has shown a decrease, it is estimated that the value of handloom cloth production is improving due to production of value added items rather than low value items like janata cloth etc. which was prevalent in the past. This is indicated by the rising value of handloom exports over the last 3 years.

(c) The Government is implementing a number of Schemes for the development of the handloom sector, with a view to promote product diversification, provide marketing support and technological upgradation. The main developmental Schemes are Deen Dayal Hathkargha Protsahan Yojana, Integrated Handloom Technology Project, Marketing Promotion Programme, Mill Gate Price Scheme, Handloom Export Scheme and 10% Special Rebate on Sale of Handloom Products.

Effect of increase in the minimum support price for cotton

1413. SHRIMATI BIMBA RAIKAR: Will the Minister of TEXTILES be pleased to state:

(a) whether the recent increase in the minimum support price for cotton has triggered an increase in cotton prices in domestic markets;

(b) with a bumper global cotton crop and resultant glut in global cotton market, whether the price of cotton in global market is likely to come down; and

(c) whether despite a good domestic harvest this year, the import of cotton would turn out to be cheaper?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Inspite of increase in the Minimum Support Price of *Kapas* (seed cotton) for the current cotton season 2004-05, domestic market prices of *kapas* are ruling lower than the prices prevailed during the corresponding period last year.

(b) Cotton prices in global market during the current cotton year are also ruling lower than the prices prevailed during the corresponding period last year. The Cotlook 'A' Index, a measure of international cotton prices, is expected to average 48 US Cents per Pound during 2004-05, as against the average cotton price of 68.3 US Cents per Pound during 2003-04.

(c) At present domestic cotton price is lower than the landed price of equivalent variety of imported cotton. The Cotton Advisory Board has estimated the import of cotton at 5 lakh bales during the current cotton year 2004-05 as against the import of 6.5 lakh bales during the 2003-04 cotton season.